

AB 1616 California Cottage Food Act

- Bill was introduced when person was found baking bread at home and selling to local restaurants and markets (which was prohibited by State Health & Safety Code, Retail Food Code Section). Bill intended to promote small businesses, and healthier, local, homegrown foods.
- Effective 1/1/13

AB 1616 California Cottage Food Act

• A Cottage Food Operation (CFO) is an enterprise at a private home where specific low-risk food products that do not require refrigeration are made or repackaged for sale to consumers. Allows an individual to prepare and/or package specific foods from their residence and sell to the public.

Cottage Food Operations

Definitions:

- Registered or permitted area: The portion of the home that contains the kitchen and attached rooms within the home used exclusively for storage.
- Private Home: a dwelling, including an apartment or other leased space, where individuals reside.

Two types of CFOs are: Class A and Class B

Cottage Food Operations

 Class A CFOs can <u>retail only</u> (Direct sales) from home, farmers markets, special events, etc).
Annual Registration \$40

°Class B CFOs can <u>retail and wholesale</u> (Direct and Indirect sales) from home, farmers markets, special events, to restaurants, markets, other retail shops. Annual Health Permit \$150

Cottage Food Class A

Class A CFOs (Direct Sales) must:

- Register with the local Health Department
- Submit a self-certification checklist to Health
- Submit all labels to foods being distributed
- Can be inspected by Health if a complaint is received (no licensing or routine inspections at registered area)
- Limited to sales within the County of issuance, unless other jurisdictions honor outside registrations or permits.

Cottage Food Class B

Class B CFOs (Indirect and Direct sales) must:

- Obtain a permit from the local Health Department
- Health conducts a licensing and one routine inspection per year, as well as complaint inspections.
- Submit all labels to foods being distributed
- Limited to sales within the County of issuance, unless other jurisdictions honor outside registrations or permits.

Cottage Food Operations

CFOs are limited in the amount of sales/yr

- •\$35,000 or less in gross sales in 2013
- •\$45,000 or less in gross sales in 2014
- °\$50,000 or less in gross sales in 2015 and beyond

Business License, Land and Zoning

- Modify home businesses to allow food preparation, must have Health approval prior to issuance of Business License. 333 W Ocean Blvd 4th floor (562) 570-6211.
 Cottage Food Business License is:
- Base Tax \$209.10
- Per employee \$8.85
- State ADA fee \$1

Internet Sales and Delivery

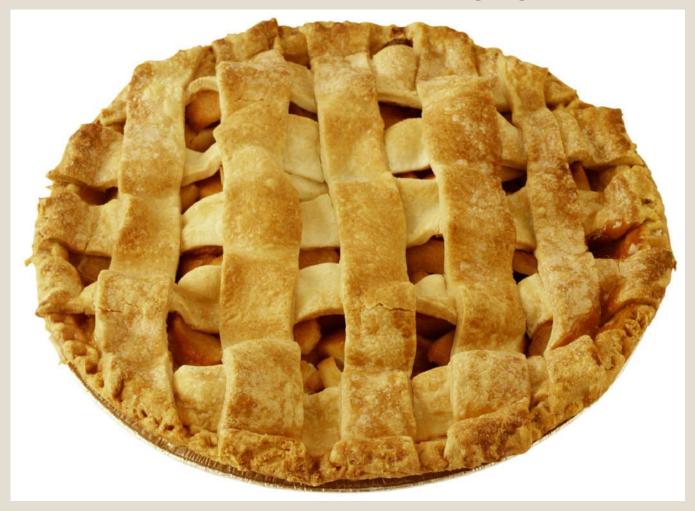
- What are limitations on Internet sales and delivery of cottage food products?
 - Advertise, accept orders and payments on internet and phone.
 - Deliver in person to the customer. A CFO may not deliver via US Mail, UPS, FedEx or using any other third-party delivery service.
 - May not introduce a CFO product into interstate commerce.
 - CFO's can only sell cottage foods outside their county of residence only when the local environmental health agency of the outside county allows it.

Approved Cottage Foods List

- Baked goods without cream, custard, or meat fillings, such as breads, biscuits, churros, cookies, pastries, and tortillas.
- Candy such as brittle and toffee
- Chocolate covered nonperishable foods such as nuts and dried fruit.
- Dried fruit, dried pasta, dry baking mixes, granola, cereals, and trail mixes
- Fruit pies, fruit empanadas, and fruit tamales.
- Herb blends and dried mole paste.
- Jams, Jellies, preserves, and fruit butter that comply with 21 CFR Part 150. Honey and sweet sorghum syrup.
- Nut mixes and nut butters. Vinegar and Mustard.
- Popcorn, waffle cones and pizelles.

Approved Cottage Foods List

- Roasted coffee and dried tea.
- Cotton Candy, candied apples, confections such as salted caramel, fudge, marshmallow bars, chocolate covered marshmallow, nuts, and hard candy, or any combination thereof.
- Buttercream frosting, buttercream icing, buttercream fondant, and gum paste that do not contain eggs, cream or cream cheese.
- Dried or dehydrated vegetables
- Dried vegetarian-based soup mixes
- Vegetable chips and potato chips
- Ground chocolate
- Seasoning salt













Product is not on the list? You can not be a Cottage Food Operator

- Petition the State
- Alter your products to match the approved list
- "Shared" commercial kitchens and obtain a Processed Food Registration from the State of CA
- Your own Food Facility
- Cottage Food

Food Safety Requirements

- The following is not allowed during CFO food preparation or packaging
 - domestic activities such as eating or preparing family meals
 - oinfants or pets in kitchen
 - smoking in kitchen
 - Kitchen and storage areas free of vermin
 - Working while sick
- Completion of food safety course (both Class A and Class B operators must complete)

Food Safety Requirements (cont.)

- Ensure handwashing takes place frequently and between any change in task.
- •Clean and sanitize all food contact surfaces prior to food preparation and when contamination occurs.

Cottage Food Operations

A Cottage Food Operation is a small business that you run from your home. Please consider the following business decisions:

Do I need a tax ID or insurance?

How do I market my product?

Do I pay taxes?

Consider:

- Contacting a CPA
- Contacting a Small Business Consultant
- Home liability insurance

Farmer's Market and Temporary Food Facilities

 CFOs may operate at a Farmer's Market or Special Event with a CFO registration/Permit and organizer's permission.

Samples prepared in licensed home kitchen and protected

from contamination

- Temporary Food Facility permit is needed if:
 - Preparing samples at event
 - Adding toppings or additional foods
 - Packaging foods at booth

CFO success stories

- ∘ 24 Class A
- ∘ 23 Class B 4 Class A's applied for Class B
- One class B is opening a retail food facility
- Another is searching for a commercial kitchen because the business outgrew the home

Long Beach DHHS website

City of Long Beach, CA - Cottage Food



Contact and Submittal

How do I submit an application?

- 1. Submit online if you have adobe acrobat pro
- 2. Print an application online and submit by scanning application and Class A Self-Certification Checklist (if Class A) and email foodinspectors@longbeach.gov
- 3. Fax the application Attn: Monica to (562) 570-4038
- 4. Mail to our office:

Long Beach Health Department

2525 Grand Ave Room 220

Long Beach, CA 90815

5. Questions? Call Monica Cardenas (562) 570-4494 or email foodinspectors@longbeach.gov

Questions?